

**REPORT  
ON THE  
RATE SETTING AUDIT**

**TRI – ELIZABETH III – SAN PACO  
BUENA PARK, CALIFORNIA  
PROVIDER NUMBER: LTC80264F  
NATIONAL PROVIDER IDENTIFIER: 1205857315**

**FISCAL PERIOD ENDED  
JUNE 30, 2009**

**Audits Section – Santa Ana  
Financial Audits Branch  
Audits and Investigations  
Department of Health Care Services**

**Section Chief: Margaret A. Varho  
Audit Supervisor: Stan Van Arsdale  
Auditor: Teri Hung**



DAVID MAXWELL-JOLLY  
Director

State of California—Health and Human Services Agency  
Department of Health Care Services



ARNOLD SCHWARZENEGGER  
Governor

Date: November 23, 2010

Prescila S. Barrios, President  
ECP Homes, Inc.  
6925 San Paco Circle  
Buena Park, CA 90620

PROVIDER: TRI-ELIZABETH III – SAN PACO  
PROVIDER NO. LTC80264F  
FISCAL PERIOD ENDED JUNE 30, 2009

We have examined the Facility's financial records/Medi-Cal Cost Report for the above-referenced fiscal period. Our examination was made under the authority of Section 14170 of the Welfare and Institutions Code and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the data presented in the accompanying Audit Report Schedules represent a proper determination of the allowable costs and patient days for the above fiscal period in accordance with Medi-Cal reimbursement principles. The results of our examination are as follows:

<u>COST AND COST PER DAY</u>		<u>COST</u>		<u>COST PER DAY</u>
Reported Cost/Cost Per Day	\$	429,949		\$ 196.32
Net Audit Adjustment		<u>50</u>		<u>.03</u>
Audited Cost/Cost Per Day	\$	<u>429,999</u>		\$ <u>196.35</u>

This Audit Report includes the:

1. Audit Report Schedules 1 through 2
2. Audit Adjustment Schedules

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Rate Development Branch.

Notwithstanding this audit report, overpayments to the Provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

If you disagree with the decision of the Department, you may appeal by writing to:

Chief  
Office of Administrative Appeals and Hearings  
1029 J Street, Suite 200  
Sacramento, CA 95814-2825  
(916) 322-5603

The written notice of disagreement must be received by the Department within 60 calendar days from the day you receive this letter. A copy of this notice should be sent to:

**United States Postal Service (USPS)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
P.O. Box 997413  
Sacramento, CA 95899-7413

**Courier (UPS, FedEx, etc.)**

Assistant Chief Counsel  
Department of Health Care Services  
Office of Legal Services  
MS 0010  
1501 Capitol Avenue, Suite 71.5001  
Sacramento, CA 95814-5005  
(916) 440-7700

The procedures that govern an appeal are contained in Welfare and Institutions Code, Section 14171, and Title 22, California Code of Regulations, Section 51016, et seq.

Prescila S. Barrios  
Page 3

If you have questions regarding this report you may call the Audits Section-Santa Ana at (714) 558-4434.

***(Original signed by Margaret Varho)***

Margaret A. Varho, Chief  
Audits Section-Santa Ana  
Financial Audits Branch

Certified

cc. HGI Financial Services  
9240 Limonite Avenue  
Riverside, CA 92509-4941

**SUMMARY OF AUDITED FACILITY CENSUS  
AND AUDITED CLIENT COST PER DAY**

**Provider:**

TRI - ELIZABETH III - SAN PACO

**Fiscal Period:**

JULY 1, 2008 THROUGH JUNE 30, 2009

**Provider Number:**

LTC80264F

**Provider NPI:**

1205857315

**SUMMARY OF AUDITED FACILITY CENSUS  
AND AUDITED CLIENT COST PER DAY**

	<b>AS REPORTED</b>	<b>AS AUDITED</b>
1. Medi-Cal Client Days (Adj )	2,190	2,190
2. Other Client Days (Adj )	0	0
3. Total Client Days	<u>2,190</u>	<u>2,190</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>429,949</u>	\$ <u>429,999</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>196.32</u>	\$ <u>196.35</u>

**SHARE OF COST**

1. Share of Cost Audit Adjustment (Adj )	\$ <u>NA</u>	\$ <u>0</u>
--	--------------	-------------

**OVERPAYMENTS**

1. Duplicate Payments (Adj )	\$ <u>          </u>	\$ <u>0</u>
2. Credit Balances (Adj )	\$ <u>          </u>	\$ <u>0</u>
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

## SUMMARY OF AUDITED FACILITY EXPENSES

**Provider:**  
TRI - ELIZABETH III - SAN PACO

**Fiscal Period:**  
JULY 1, 2008 THROUGH JUNE 30, 2009

**Provider Number:**  
LTC80264F

**NPI:**  
1205857315

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CLIENT SERVICES</b>				
	<b>Basic Facility Cost - Property Expenses</b>				
045	Depreciation and Amortization	1	\$ 2,438	\$ 1,753	\$ 4,191
050	Leases and Rentals		0		0
055	Real Property Taxes		2,255		2,255
060	Personal Property Taxes		0		0
065	Mortgage Interest		8,418		8,418
070	Property Insurance	2	0	980	980
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 13,111	\$ 2,733	\$ 15,844
	<b>Basic Facility Cost - General Home Expenses</b>				
080	Home Operations and Maintenance		\$ 10,400		\$ 10,400
085	Utilities	3	6,704	(337)	6,367
090	Client Transportation		2,836		2,836
095	Dietary		21,421		21,421
100	Personal Care and Laundry		1,515		1,515
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 42,876	\$ (337)	\$ 42,539
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 55,987	\$ 2,396	\$ 58,383
	<b>EXPENSES: DIRECT CARE STAFF COSTS</b>				
115	QMRP Salaries		\$	\$	\$ 0
120	QMRP Fringe Benefits				0
125	Lead Salaries		28,142		28,142
130	Lead Fringe Benefits		4,051		4,051
135	Aides Salaries		81,614		81,614
140	Aides Fringe Benefits		11,745		11,745
145	Other Salaries		71,997		71,997
150	Other Fringe Benefits		9,353		9,353
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 206,902	\$ 0	\$ 206,902

## SUMMARY OF AUDITED FACILITY EXPENSES

**Provider:**  
TRI - ELIZABETH III - SAN PACO

**Fiscal Period:**  
JULY 1, 2008 THROUGH JUNE 30, 2009

**Provider Number:**  
LTC80264F

**NPI:**  
1205857315

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	<b>EXPENSES: CONSULTANT COSTS</b>				
160	Dietician Consultant		\$ 1,440	\$	\$ 1,440
165	Speech Pathology Consultant		0		0
170	Physical Therapy Consultant		1,080		1,080
175	Occupational Therapy Consultant		2,070		2,070
180	Pharmacist Consultant		500		500
185	Nurse Consultant		0		0
190	Psychologist Consultant		1,100		1,100
195	Physician Consultant		0		0
200	Recreational Consultant		720		720
205	Social Service Consultant		0		0
210	Other Consultant		17,930		17,930
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 24,840	\$ 0	\$ 24,840
	<b>EXPENSES: ADMINISTRATIVE COSTS</b>				
220	Administrative Salaries		\$	\$	\$ 0
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees		19,717		19,717
230	Other Administrative and General	4	122,503	(2,346)	120,157
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 142,220	\$ (2,346)	\$ 139,874
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 429,949	\$ 50	\$ 429,999
	<b>NON-CLIENT CARE EXPENSES</b>		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 429,949	\$ 50	\$ 429,999

Provider Name				Fiscal Period			Provider Number		Adjustments	
TRI - ELIZABETH HOMES III				JULY 1, 2008 THROUGH JUNE 30, 2009			LTC80264F		4	
Adj. No.	Report References			Audit Report			As Reported	Increase (Decrease)	As Adjusted	
	MC530 Page or Exhibit	Line	Col.	Sch.	Line	Col.				
ADJUSTMENTS TO REPORTED COSTS										
1	4	45	4	2	45.00	3	\$2,438	\$1,753	\$4,191	
Depreciation and Amortization										
To adjust depreciation to agree with the provider's detailed depreciation schedules.										
42 CFR 413.20, 413.24 and 413.134										
CMS Pub. 15-1, Sections 102 and 2304										
2	4	70	4	2	70.00	3	\$0	\$980	\$980	
Property Insurance										
To adjust the reported Property Insurance to agree with the audited invoices.										
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304										
3	4	85	4	2	85.00	3	\$6,704	(\$337)	\$6,367	
Utilities										
To eliminate water expense not related to patient care.										
42 CAR 413.5 and 413.24										
CMS Pub. 15-1, Sections 2300 and 2302.1										
4	4	230	4	2	230.00	3	\$122,503	(\$2,346)	\$120,157	
Other General and Administrative										
To reconcile the reported expenses to agree with actual DHS license expense.										
42 CFR 413.20 and 413.24 / CMS Pub. 15-1, Sections 2300 and 2304										

Page 1